



**2023**  
**CORPORATE  
GOVERNANCE  
STATEMENT**

tvo

# Contents

<b>03 General</b>	
<b>04 Annual General Meeting</b>	
Annual General Meeting 2023 .....	04
<b>05 Board of Directors</b>	
Board of Directors in 2023 .....	06
<b>07 Board Committees</b>	
Audit and Finance Committee .....	07
OL3 Committee.....	07
Nuclear Safety Committee .....	07
The Nomination and Remuneration Committee.....	08
<b>08 Committees and steering groups assisting executive management</b>	
<b>09 President and CEO</b>	
<b>10 Management Group</b>	
<b>11 Auditor</b>	
<b>11 Remuneration</b>	
<b>11 Related party transactions</b>	
<b>11 Insider administration</b>	
<b>12 Disclosure policy for investors</b>	
<b>13 Internal control and risk management</b>	
Financial control and reporting.....	13
Risk management.....	14
Internal Auditing.....	14
Integrated Management System audit.....	14
<b>15 Appendices</b>	

## TVO's Annual Report 2023

TVO's Annual Report includes the Annual and Sustainability Report, the Corporate Governance Statement, as well as the Report of the Board of Directors and Financial Statements. The reports are published as separate files on TVO's website: [www.tvo.fi/financialpublications](http://www.tvo.fi/financialpublications).



**Annual and Sustainability Report**  
The Annual and Sustainability Report contains an overview of TVO's business and the most important sustainability aspects and objectives, it also includes the review by the President and CEO.



**Corporate Governance Statement**  
The Corporate Governance Statement describes the management systems and the tasks of the governing bodies.



**Report of the Board of Directors and Financial Statements**  
The Report of the Board of Directors and the Financial Statements report on the Company's financial performance. The Report of the Board of Directors contains the non-financial information required by the Accounting Act.



# General information about Teollisuuden Voima Oyj

**TEOLLISUUDEN VOIMA OYJ** (TVO) is a public limited liability company owned by Finnish industrial and energy companies (Pohjolan Voima Oyj, EPV Energia Oy, Fortum Power and Heat Oy, Kemira Oyj and Oy Mankala Ab). In accordance with the Company's Articles of Association, TVO engages in the construction and acquisition of power plants and power transmission equipment and in the generation, transmission and delivery of electricity primarily to its shareholders under the terms and conditions laid down in the Articles of Association.

Under its Articles of Association, TVO supplies electricity to its shareholders at cost (so-called Mankala principle), which means that it delivers the electricity it has produced or procured to its shareholders in proportion to their shareholdings in each TVO series. Each of the shareholders of each series bears their share of the variable and fixed annual costs as specified in detail in the Articles of Association. The shareholders have concluded a mutual Shareholders' Agreement, which contains more detailed provisions on corporate governance.

Pohjolan Voima Oyj owns 58.50 per cent of TVO's shares and, in its financial publications, it reports that it is consolidating TVO into its IFRS consolidated financial statements as a joint venture. Regarding shares in TVO, Pohjolan Voima Oyj has stated that TVO is a joint venture by virtue of the provisions concerning power of decision and controlling interest as well as the right to appoint



Board members in TVO's Articles of Association and in other company documents.

In accordance with TVO's Articles of Association, each shareholder's share of the liability for the annual costs will always be limited to the amount corresponding to the proportion of its shareholding to all shares belonging to the same series, and any failure by another shareholder will not increase the shareholder's liability based on its shareholding. Only the Company has the sole right to call upon the shareholders' responsibility for costs defined in the Articles of Association. The shareholders are not

liable for costs other than the costs of the Company mentioned above, unless otherwise separately agreed. The cost-price principle is described in detail in the Articles of Association and in the Notes to the consolidated financial statements.

Because TVO is a non-listed public company applying the cost-price principle, it observes the Corporate Governance Code for listed companies<sup>1</sup> where applicable. TVO is not obligated to observe the Corporate Governance Code nor, therefore, its Comply or Explain principle. According to Chapter 7, Section 7 of the Securities Markets Act (746/2012),

the issuer of a security subject to public trading must provide a corporate governance statement in its annual report or in a separate report.

<sup>1</sup> The TVO Corporate Governance Statement 2023 complies, where applicable, with the Finnish Corporate Governance Code, which came into effect on 1 January 2020. The Code was prepared in accordance with the so-called Comply or Explain principle meaning that a listed company shall comply with all the recommendations of the Code. However, a listed company may depart from individual recommendations provided that the departures are reported and explained. The Finnish Corporate Governance Code 2020 is available at:

[www.cgfinland.fi](http://www.cgfinland.fi)



# Annual General Meeting

The Annual General Meeting is the highest decision-making body in the Company. It decides on matters falling within its sphere of competence under the Finnish Limited Liability Companies Act and the Company's Articles of Association, such as the adoption of the financial statements, the use of the profit shown on the adopted balance sheet and discharging the Board of Directors and the President and CEO from liability. The Annual General Meeting also elects the members of the Board and the auditor and decides on the remuneration of the members of the Board as defined in the Articles of Association.

The Annual General Meeting is held at the latest in May. Invitations to the Annual General Meeting are sent to the shareholders no earlier than four weeks and no later than ten days before the meeting.

Apart from the shareholders' representatives, the Annual General Meeting of TVO is attended by the President and CEO, the Chairperson of the Board of Directors, members of the Board and, if necessary, the auditor. As a rule, anyone running for membership of the Board of Directors for the first time is required to attend the Shareholders' Meeting deciding on their election, unless their attendance is prevented for a weighty reason.

## Annual General Meeting 2023

TVO's Annual General Meeting held on 30 March 2023 approved the financial statements for 2022, confirmed the income statement and balance sheet, discharged the members of the Board of Directors and the President and CEO from liability and elected the company's members of the Board.

**Kaarlo Höysniemi** was elected as a new member of the Board. **Seppo Parvi** resigned from the Board.





# Board of Directors

Under the Articles of Association, TVO's Board of Directors consists of a minimum of 7 and a maximum of 10 members. The term of office of a Board member starts from the close of the Annual General Meeting at which they are elected and ends at the close of the Annual General Meeting at which the new election takes place. According to the Articles of Association, a shareholder who owns a minimum of 20 per cent and a maximum of 50 per cent of all the Company's shares has the right to appoint three members to the Board of Directors. The Board of Directors elects the Chairperson and the Vice Chairperson from among its members. The Board convenes when summoned by the Chairperson or, where the Chairperson is prevented from doing so, by the Vice Chairperson. More than half of the members of the Board attending a meeting constitute a quorum.

The Board's responsibilities and authority cover all matters related to the Company's administration that, according to law or the Articles of Association, are not handled by the Annual General Meeting.

The Board of Directors is responsible for the administration and proper organisation of the operations of the Company and for the appropriate arrangement of the control of the Company's accounts and financials and, among other things:

- » appoints the President and CEO;
- » appoints the other executive management for the Company;
- » ensures the conditions for the functioning of the management system;

- » ensures the conditions for the functioning of systems and methods essential for nuclear safety and safety culture;
- » approves the Company's strategic goals and operational guidelines;
- » approves the annual action plan and budget and supervises their realisation;
- » approves the principles applied to risk management and insurance;
- » compiles the Report of the Board of Directors and approves the annual financial statements;
- » adopts the interim report;
- » decides on major matters related to financing and collateral;
- » approves major investments;
- » summons the Annual General Meeting;
- » decides on informing the shareholders;
- » decides on the principles of the remuneration and commitment system;
- » approves the charters of the Board Committees and the regulations for the committees assisting the executive management;
- » deals with other matters submitted to the agenda by the Chairperson or Vice Chairperson or member of the Board or the President and CEO;
- » compiles an annual assessment of its own performance.

The Board of Directors monitors and evaluates the financial reporting system in respect of reporting and auditing, the efficiency of internal control and audit and the risk management system, and the independence of the auditor and, in particular, the auditor's offering of other than audit services. In addition, the Board monitors the Company's auditing process and prepares the selection of the Company's auditor and the verifier of the Sustainability Report.



The purpose of the Board's annual assessment of its own performance is to further develop the performance of the Board. The results of the assessment are reported to the Board, which shall discuss the assessment results and decide on actions for further development based on the results.

The Board of Directors' duty is to promote the interests of the Company and all its shareholders. The members of the Board do not represent in the Company the parties who proposed them as members or any other parties.



## Board of Directors in 2023

In 2023, the following persons were elected to the Board of Directors:

Kaarlo Höysniemi .....	born 1971
Hannu Jokinen .....	born 1967
Esa Kaikkonen .....	born 1969
Tapio Korpeinen .....	born 1963
Petra Lundström .....	born 1966
Timo Rajala .....	born 1969
Anders Renvall .....	born 1973
Tiina Tuomela .....	born 1966
Ilkka Tykkyläinen .....	born 1966
Rami Vuola .....	born 1968

At its organisation meeting on 30 March 2023, the Board of Directors elected **Ilkka Tykkyläinen** as the Chairperson of the Board and **Petra Lundström** as the Vice Chairperson of the Board. The Board of Directors also elected the members and chairpersons of the Board Committees from among its members.

The Board of Directors convened 15 times in 2023. The average attendance rate at the Board meetings was 98.

The members of the Board do not own shares in the Company.

The Board members are paid monthly remuneration and a fee for each meeting they attend.



# Board Committees

To ensure that the issues within the responsibility of the Board of Directors are handled efficiently, the Company has set up the Audit and Finance Committee, OL3 Committee, Nuclear Safety Committee and Nomination and Remuneration Committee, each assisting and reporting to the Board of Directors and consisting of at least three members of the Board. The Board of Directors chooses the members of the committees from among its members, appoints their respective Chairpersons and approves their charters.

In addition to the duties laid down in their respective charters, each committee also deals with other matters which are related to their respective fields and passed on to them by the Board of Directors or brought up by committee members, the President and CEO or other executive management.

The Board Committee members are paid a fee for each meeting they attend.

## Audit and Finance Committee

In accordance with the Limited Liability Companies Act and its charter that entered into force on 1 December 2022, the Audit and Finance Committee:

- » deals with internal accounting for each series of shares, annual budget and electricity charges and issues related to the long-term budget and the balance sheet;
- » deals with the interim reports and the annual financial statements;

- » deals with the audit report, the corporate governance statement and the review of non-financial information;
- » deals with sustainability reporting;
- » monitors and assesses the financial reporting system;
- » monitors and assesses the efficiency of internal control and auditing and the risk management system;
- » monitors and assesses the compliance of agreements and other legal transactions between the Company and its related parties with the requirements of normal operation and market conditions;
- » monitors and assesses the independence of the auditor and, in particular, the auditor's offering of other than audit services;
- » monitors the Company's auditing process and assesses its quality;
- » prepares the selection of the Company's auditor;
- » approves the guidelines for the TVO Group's internal audit;
- » approves the plans for internal audit and deals with situational reviews.

The Committee prepares the tasks connected with the Company's financing as follows:

- » deals with the planning and implementation of the Company's financing and risk management related to financing;
- » deals with matters related to financing, particularly the Company's financial policy, action plans related to financing, financing agreements and authorisations for their implementation;
- » monitors the National Nuclear Waste Management Fund and, in particular, the performance of its investment activities.

In addition, the Committee deals with other matters which are related to its field and passed on to it by the Board of Directors or brought up by committee members, the President and CEO or other executive management.

The Chairperson of the Audit and Finance Committee was **Rami Vuola**. The other members of the Committee were **Kaarlo Höysniemi** and **Hannu Jokinen**. The Audit and Finance Committee convened 10 times in 2023. The average attendance rate at the meetings was 100.

## OL3 Committee

In accordance with its charter that entered into force on 22 June 2023, the task of the OL3 Committee is to control and supervise the financial and technical matters following the start of commercial operation at the OL3 plant unit until the Final Takeover (FTO) of OL3 and to prepare and submit to the Board of Directors for decision-making those matters falling under the responsibility of the Board which concern:

- » the fulfilment of the OL3 Plant Delivery Agreement and the related Global Settlement Agreement (GSA);
- » the Plant Supplier's financial standing;
- » the progress of work on the OL3 punch list;
- » the meeting of warranty commitments for OL3;
- » the Final Takeover of OL3 and the meeting of the conditions, criteria and benchmarks connected to it;
- » proposals for procurement and investment that concern OL3 and are outside of the budget;

- » competence and resources at OL3;
- » the progress of claims and dispute resolution procedures and possible settlement negotiations and amendments to the Plant Delivery Contract and/or GSA.

In addition, the Committee deals with other matters which are related to its field and passed on to it by the Board of Directors or brought up by committee members, the President and CEO or other members of the Management Group.

The Chairperson of the OL3 Committee in 2023 was **Tapio Korpeinen**, and the other members were **Kaarlo Höysniemi**, **Timo Rajala**, **Tiina Tuomela** and **Ilkka Tykkyläinen**. The OL3 Committee convened 12 times in 2023. The attendance rate at the meetings was 100.

## Nuclear Safety Committee

In accordance with its charter that entered into force on 1 January 2020, the Nuclear Safety Committee:

- » monitors key issues related to nuclear safety and corporate safety culture;
- » deals with the technical implementation of nuclear waste management;
- » deals with the costs of nuclear waste management;
- » deals with significant matters requiring decisions by Posiva Oy's Board of Directors and, where necessary, advises the Company's representatives in Posiva Oy's Board of Directors.



In addition, the Committee deals with other matters which are related to its field and passed on to it by the Board of Directors or brought up by committee members, the President and CEO or other executive management.

The Chairperson of the Nuclear Safety Committee in 2023 was **Petra Lundström**, and the other members were **Esa Kaikkonen** and **Anders Renvall**. The Nuclear Safety Committee convened 5 times in 2023. The attendance rate at the meetings was 100.

### The Nomination and Remuneration Committee

In accordance with its charter that entered into force on 1 January 2020, the Nomination and Remuneration Committee:

- » prepares the proposal to be submitted to the Annual General Meeting regarding the composition of the Board of Directors (number of members and persons proposed);
- » deals with the proposal to be submitted to the Annual General Meeting regarding the remuneration of the members of the Board of Directors;
- » deals with matters related to the appointment of the President and CEO and the other members of the Management Group;
- » prepares succession plans for the President and CEO and the other members of the Management Group;
- » in line with the Board's policies, assesses and decides on the remuneration of the President and CEO and the other members of the Management Group;
- » in line with the Board's policies, assesses and decides on the Company's commitment and remuneration systems;
- » plans the remuneration of the other personnel and the development of the organisation.



In addition, the Committee deals with other matters which are related to its field and passed on to it by the Board of Directors or brought up by committee members, the President and CEO or other members of the Management Group.

The Chairperson of the Nomination and Remuneration Committee in 2023 was **Ilkka Tykkyläinen**. The other members were **Tapio Korpeinen** and **Petra Lundström**. The Nomination and Remuneration Committee convened 5 times in 2023. The attendance rate at the meetings was 100.

## Committees and steering groups assisting executive management

The Board of Directors may set up committees or steering groups that assist the executive management and process special issues related to their respective field without any authority or liability under the Limited Liability Companies Act. Such committees or steering groups consist of members and experts appointed by the Board of Directors.

The Board of Directors lays down the regulations for the committees and steering groups.

The Board of Directors has set up the following committees to assist the executive management: Operation Committee, Legal Committee, Financing Committee and Finance Committee.





# President and CEO

The President and CEO deals with the Company's day-to-day management in accordance with the Limited Liability Companies Act and the instructions and orders issued by the Board of Directors. Furthermore, the President and CEO is in charge of ensuring that the Company's accounting practices comply with the law and that the financial administration and management are reliably organised. The President and CEO provides to the Board and its members all the information necessary for the Board to perform its duties.

The President and CEO of the Company is **Jarmo Tanhua**, born 1965.

The President and CEO does not own any shares in the Company.



**The President and CEO deals with the Company's day-to-day management in accordance with the Limited Liability Companies Act.**





# Management Group

The Management Group assists the President and CEO in the management of the Company's operations, and the minutes of the Management Group's meetings form the President and CEO's list of decisions. The members of the Management Group, who all report to the President and CEO, are appointed by the Board of Directors.

The composition of the Management Group:

**Jarmo Tanhua**, President and CEO, Chairperson  
**Pekka Frantti**, Senior Vice President, OL3 Commercial Completion, Corporate Supply Management and Development of Legal Affairs  
**Jaana Isotalo**, Senior Vice President, HR, Training, Communications and Corporate Relations  
**Mikko Lampinen**, Senior Vice President, Engineering  
**Ulla-Maija Moisio**, Senior Vice President, Legal Affairs  
**Marjo Mustonen**, Senior Vice President, Electricity Production  
**Veli-Pekka Nurmi**, Senior Vice President, Safety and Security Services  
**Lauri Piekkari**, Senior Vice President, Treasury and Risk Management  
**Jouni Silvennoinen**, Senior Vice President, OL3 Project (until 31 May 2023), OL3 Contract Management (from 1 June 2023 onwards)  
**Anja Ussa**, Senior Vice President, Finance, Sustainability (from 1 October 2023 onwards), IT, Business Development and Assistant Services, Secretary of the Management Group

and a representative of the personnel and their deputy in accordance with the Act on Personnel Representation in the Administration of Undertakings:

**Timo Vaahtera**, I&C Engineer, Personnel Representative  
**Petri Murto**, I&C Technician, 1st Deputy Personnel Representative  
**Esa Lahtinen**, Maintenance Engineer, 2nd Deputy Personnel Representative

Senior Expert **Sami Jakonen** and the President and CEO for Posiva also participate in the work of the Management Group. **Janne Mokka** was the President and CEO for Posiva until 31 July 2023 and **Tiina Jalonen** was the interim President and CEO from 1 August to 31 October 2023. **Ilkka Poikolainen** started as Posiva's President and CEO on 1 November 2023.

If necessary, the President and CEO can invite other persons to attend the meetings of the Management Group for the purpose of discussing specific issues.

The Management Group deals with relevant matters related to the Company's operations for which the decision of the President and CEO is required. The Management Group also deals with matters related to the Senior Vice Presidents' areas of responsibility to the necessary extent to ensure communication of information between the President and CEO and the Senior Vice Presidents and among the Senior Vice Presidents.

The discussed matters include the following, for example:

- » Group strategy, goals and strategic projects;
- » operating model and management system of TVO/Posiva;
- » customer accounts/customer relations;
- » significant operational (investment) decisions;
- » key issues for stakeholders and the Company's public image;
- » human resource planning and allocation at Group level;
- » business strategies and plans.





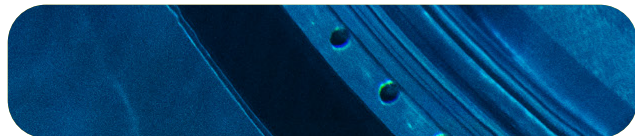
## Auditor

In accordance with the Articles of Association, the Company has one auditor, which has to be an audit firm chartered by the Central Chamber of Commerce. The auditor's term of office ends at the close of the Annual General Meeting following their election.

In accordance with the Finnish Auditing Act, the auditor is responsible for auditing the Company's accounting records for the financial year, the annual financial statements, and Company administration. The auditor for the parent company must also audit the consolidated financial statements and other relationships between the Group companies. The Board of Directors and the President and CEO are given a summary report of the audit of the consolidated accounts.

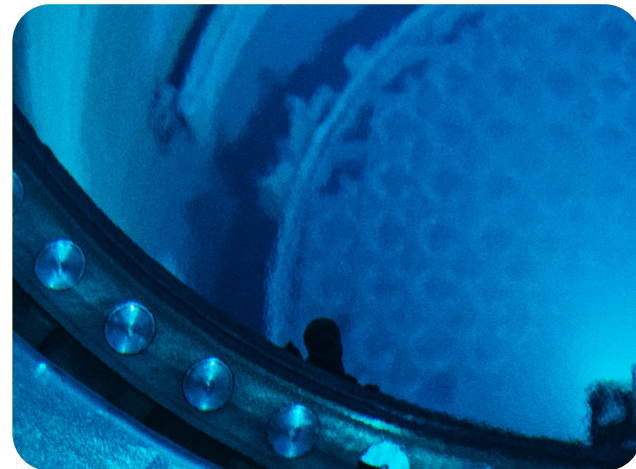
In 2023, PricewaterhouseCoopers Oy, an audit firm chartered by the Central Chamber of Commerce, was elected as the Company's Auditor, with Niina Vilske acting as the principal auditor.

During the financial year 2023, remuneration to the auditor for services other than audit services amounted to EUR 63,000.



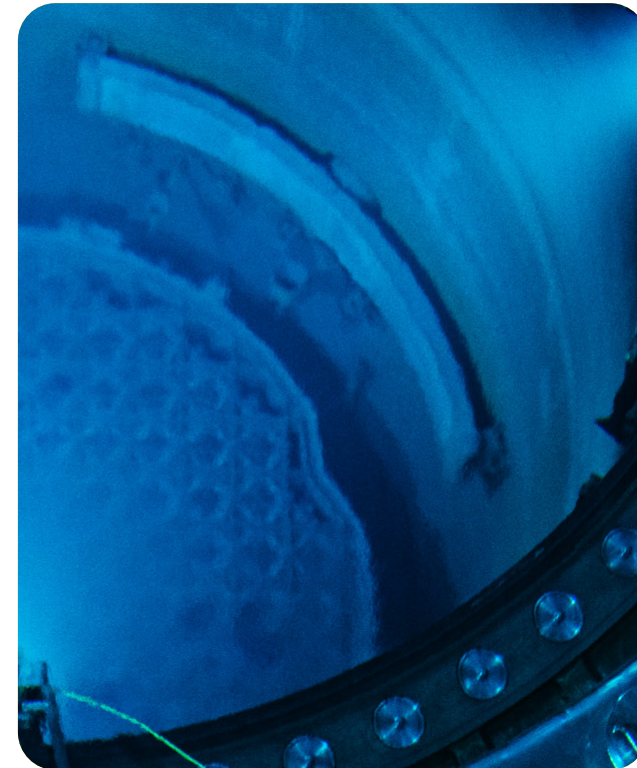
## Remuneration

The Nomination and Remuneration Committee under the Board of Directors approves the Company's commitment and remuneration systems. All permanent and long-time fixed-term employees are included in the employee bonus system, which is defined and determined annually. The Company has a Group Personnel Fund (Teollisuuden Voima Oyj:n konsernin henkilöstörahassto hr), in which personnel may deposit their performance bonuses. The Financial Statements present the employment benefits of the President and CEO and the members of the Management Group, broken down by benefit category, and the salaries and remuneration per person as regards the President and CEO and the members of the Board.



## Related party transactions

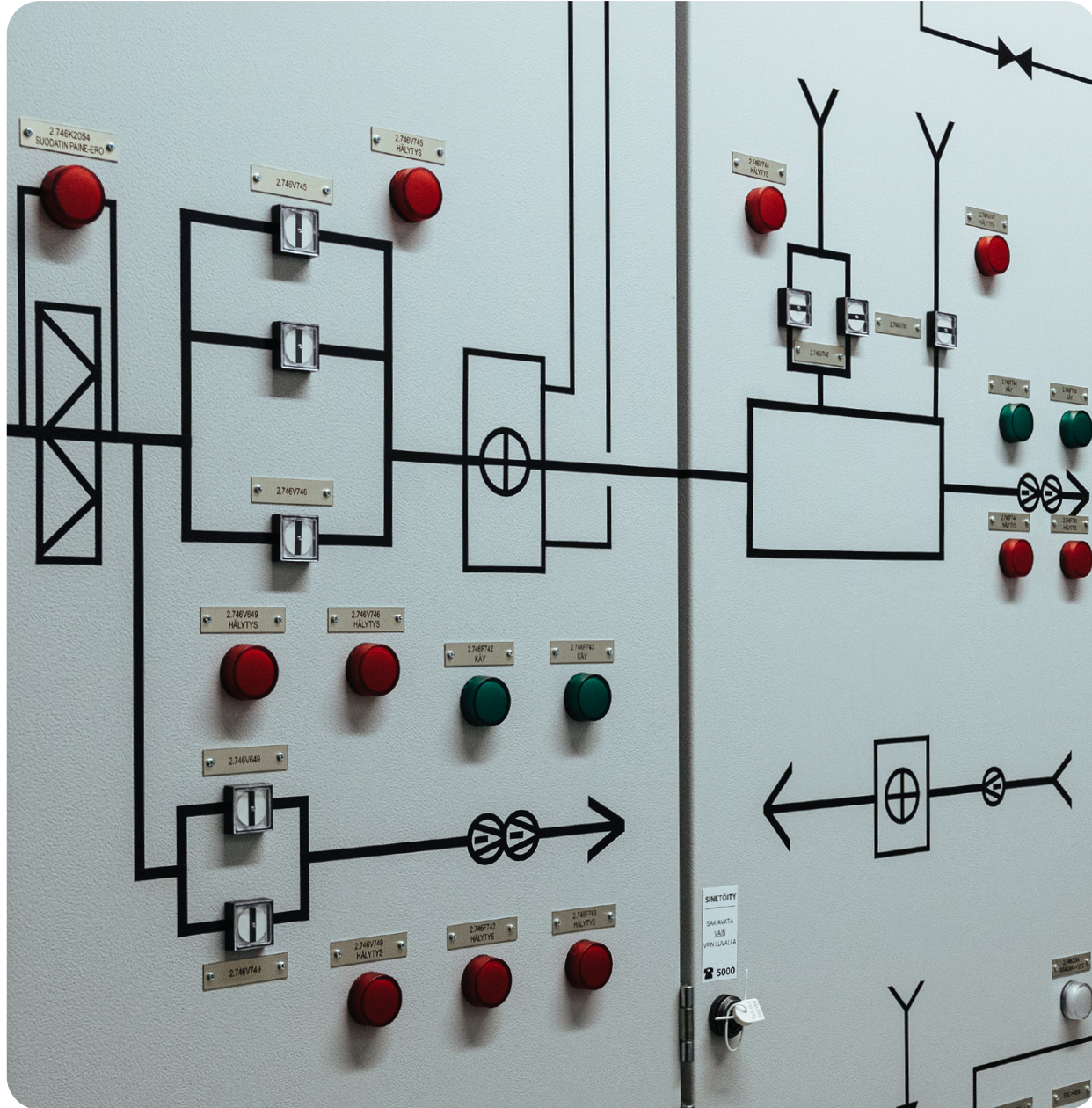
TVO maintains a list of related parties determined according to the definition in the Limited Liability Companies Act. The approval and reporting of transactions with related parties is carried out in accordance with the Company's Related Party Guidelines.



## Insider administration

In accordance with the Market Abuse Regulation ((EU) No. 596/2014) (MAR), TVO, as an issuer of bonds, maintains, in addition to a permanent insider list, also project-specific insider lists on persons who work for the Company on the basis of an employment contract or other contract and, either regularly or irregularly, receive inside information directly or indirectly related to the issuer. Rules for the processing of inside information have been prepared, and the Senior Vice President, Legal Affairs, is responsible for maintaining and updating them. The creating, updating and keeping of insider lists is the responsibility of the Company's Legal Affairs function. A person responsible for the administration of the insider list and a deputy for them have been appointed separately.





# Disclosure Policy for Investors

The starting points of the Disclosure Policy for Investors are responsibility, transparency, fairness and accuracy. TVO's communication is factual, reliable, timely, clear and based on facts about the Company's operations. The goal of communication is to provide investors and other market participants with accurate and relevant information about TVO's operations, operating environment, strategy, goals and financial situation as quickly as possible. TVO's Board of Directors has approved the Disclosure Policy for Investors, and it is publicly available on TVO's website.

TVO's obligation to provide information consists of a regular and continuous disclosure obligation. The regular disclosure obligation refers to the Company's obligation to regularly publish certain financial reports and information. The continuous disclosure obligation refers to publishing information as needed according to regulations, regarding matters that most likely have a significant effect on the value of the bonds issued by the Company.

Electricity market communication is based on the REMIT regulation, according to which the electricity market is notified of all significant changes in electricity production that have or may have an impact on electricity prices or financial markets.

Planned and unplanned power changes of more than 100 MW at any of Olkiluoto's three nuclear power plants can be considered the limit of such a significant change. Examples of such situations include fault repairs of the plant units, periodic tests that require a power reduction, changes in the times and durations of maintenance and annual outages, and possible restrictions of the main grid or the grid load limitation, due to which the production capacity of power plants is changed. The electricity market is not informed about the power restrictions of the plant units planned due to commercial reasons. Significant power changes are always published in a market release, i.e. an Urgent Market Message (UMM) on Nord Pool's UMM platform. In the event of disruptions, the aim is to publish market releases as quickly as possible as the disruption is ongoing, and the market release is updated as necessary with additional information. In the case of planned power changes, the market release is published before the close of trading on the daily market if the situation allows. The market release states the reason for the unavailability, the duration and the power level. However, with regard to a power increase, information is not provided on whether the plant will increase its power immediately after the technical readiness for the power increase has been achieved.



# Internal control and risk management

The Board of Directors and the executive management of TVO are responsible for organising the Company's internal control and ensuring that it is adequate. The purpose of internal control is to ensure that TVO's operations are carried out on an efficient and cost-effective basis, that the information supplied is reliable, and that all relevant regulations and operating principles are followed. Company documents, such as the Articles of Association, the Shareholders' Agreement, operating agreements, the Organisation Manual, TVO's Integrated Management System, the Administrative Rules for the Olkiluoto NPP and the adopted policies and Codes of Conduct provide the basis for TVO's corporate governance and internal control.

The goal of internal control is to ensure with adequate certainty that:

1. Operations are effective and in line with the Company strategy.
2. The set goals and objectives are achieved.
3. The financial and operational control and reporting is reliable and correct.
4. The Company's operations conform to the law.

TVO's internal control consists of the following subareas:

- » financial control and management reporting;
- » risk management;
- » internal audit;
- » Integrated Management System audit.

The purpose of control activities is to ensure that laws, internal policies and the Code of Conduct and the Company's values are complied with at all levels of the organisation. Appropriate control measures are defined for key business operations and reporting processes.

The efficiency of internal control is monitored through various assessments, such as internal audits and quality and environmental audits and health and safety audits targeting the Integrated Management System.

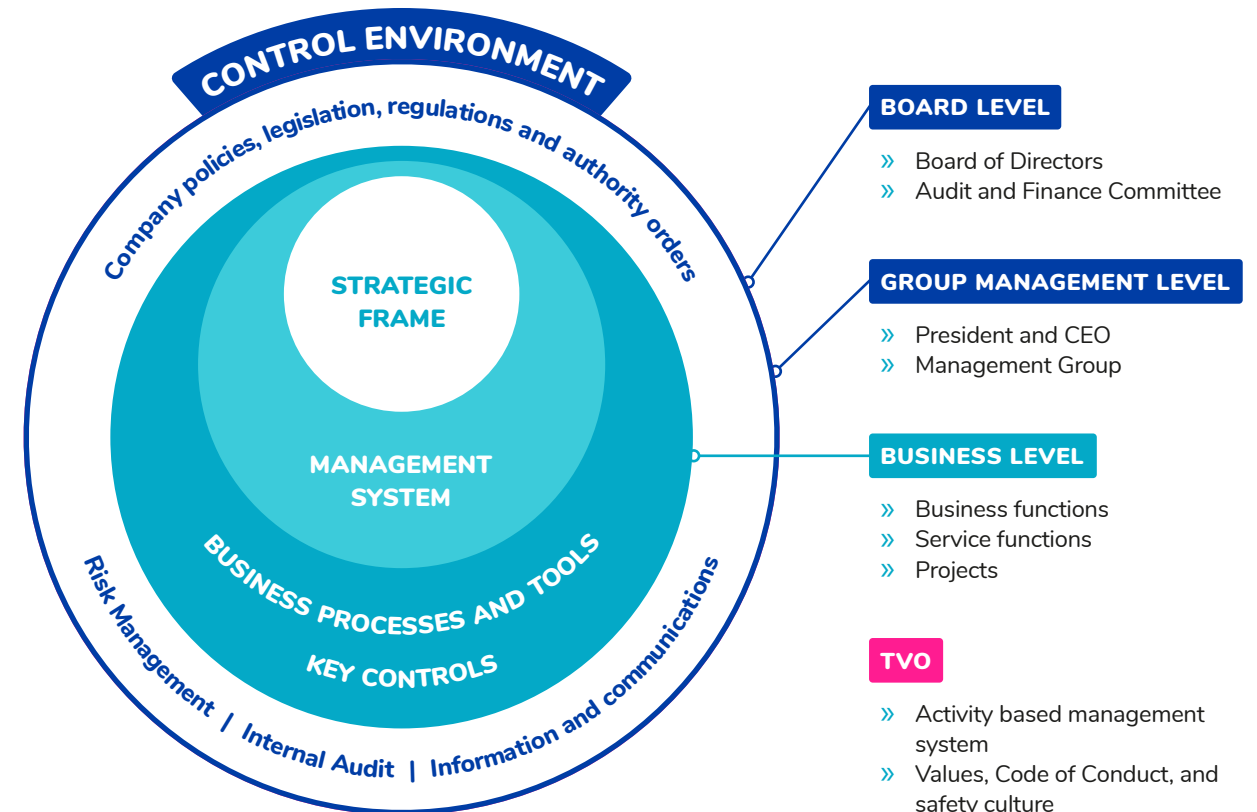
The Codes of Conduct approved by the Boards of Directors of the TVO Group companies lay down the TVO Group's principles of responsibility in business operations as well as in interactions within the Group and the surrounding society. There are separate Codes of Conduct issued for TVO Group's personnel and for partners and subcontractors.

The appropriateness and efficiency of internal control are assessed by the Audit and Finance Committee under the Board of Directors.

## Financial control and reporting

The aim of internal control connected with the financial reporting process is to ensure that the management has reliable, up-to-date information to support decision-making and that the financial statements and interim reports are prepared in accordance with the law. Operational and financial reporting supported by IT systems enable efficient management and control of the Company's business operations.

## TVO's internal control environment



Reliable financial reporting requires appropriate supervision of the financial administration and accounting processes. The supervision of the financial reporting process is within the responsibility of the Audit and Finance Committee. TVO's Competence Centre for Finance is in charge of the financial reporting processes of the Group and its subsidiary, and the joint venture company and its subsidiary. The processes of financial reporting have been described and their control activities defined. The development of the processes and control activities is a continuous effort.

In the TVO Group's consolidated financial statements, the International Financial Reporting Standards (IFRS) are followed. In the parent company's separate financial statements, the Finnish Accounting Standards (FAS) are followed. The purpose of the parent company's internal accounting is to produce financial information for the shareholders by segment and share series. The accounting system by segment and share series is based on the Finnish accounting practice, and the related accounting principles have been approved by the Board of Directors of the Company. The Company's financing policy is also approved by the Board of Directors.

The main principles and instructions on financial reporting have been laid down in the Company's Administration Manual and Accounting Manual, and they provide the basis for financial reporting within the Group. TVO's Competence Centre for Finance is responsible for the validity and consistency of external and internal financial reporting and for compliance with the accounting principles by segment and share series as approved by the Board of Directors. The Competence Centre for Finance is responsible for developing the reporting process,

maintaining related instructions, and determining the control activities and measures related to financial reporting processes. The control measures each have a responsible person and they are part of monthly, quarterly and annual reporting. Control measures include various reconciliations, analytical reviews and approval procedures which are used to ensure the validity of financial reporting. General IT control complements the control of financial reporting in respect of access rights and backup copies.

Public financial reporting comprises interim reports and annual financial statements. Public financial reporting is prepared with the same methods as monthly internal financial reporting.

The aim of TVO's strategic planning is to ensure that the Company's operations support the implementation of the Company's vision and strategy as well as its long-term planning and goals, and that budgeting is consistent with the strategic plans. The Competence Centre for Finance provides guidelines for the budgeting process, and a consistent system is in place for budgeting, forecasting and follow-up.

The status of the annual goals is monitored through monthly reporting to the management and Board of Directors. The Competence Centre for Finance must inform the management if the results deviate from the plans, analyse the reasons for such deviations and prepare financial results forecasts.

The indicators related to the management and control of the operations, the indicators of the main processes and the realisation of the Company's objectives are monitored in accordance with approved schedules.

## Risk management

Risk management at TVO follows the principles of comprehensive risk management and the ISO 31000 standard. The Company's risk management forms an important part of the Company's supervision and control system. The aim of risk management is to ensure that the most important business risks are identified as well as continuously assessed and monitored.

As part of its Annual Report and Interim Reports, the Company reports the most significant risks and uncertainties of the Company to its shareholders and other stakeholders. The overall risk management process is described in more detail in the Report of the Board of Directors. In addition, the interim report and the financial statements describe major business-related short-term risks and uncertainties.

The identification of risks related to the financial reporting process is part of the risk management process.

## Internal audit

TVO's internal audit assesses the efficiency and suitability of the policies and procedures in use and reviews the functioning of internal control. Furthermore, internal audit aims to promote the development of TVO's corporate governance and risk management in the different functions of the Company. The principles guiding internal audit are set out in the Internal Auditing procedure approved by the Audit and Finance Committee. Internal audit reports to the Audit and Finance Committee and supports the management in the development of good corporate governance, risk management, and internal control systems, as well as in the assessment of their efficacy and adequacy.

Annual internal audits are based on audit plans approved by the Audit and Finance Committee. The content of the annual internal audit plan is coordinated with the audits conducted by the Auditor and the internal audits of the Quality and Environment function. A summary of the internal audit is regularly reviewed by the Audit and Finance Committee and reported annually to the Board of Directors.

Internal audit presents a report on each audit to the President and CEO immediately after the audit has been conducted. An annual summary lists the objects, content and dates of the audits, any observations made and irregularities detected, and suggestions for further measures.

The observations and irregularities are reported to the management for the appointment of a person responsible for each observation or irregularity. The management is responsible for making sure that the required corrective measures are taken.

## Integrated Management System audit

Internal audits assess compliance with operational procedures with regard to records, indicators, and the continuity and efficiency of operations.

Any irregularities detected in internal audits are reported and dealt with individually on a continuous basis and all together in management reviews that occur twice per year.



# Appendices

## In this chapter:

- 16** Board of Directors
- 19** Management Group
- 21** Organisational chart

# Teollisuuden Voima Oyj's Board of Directors 2023



**Kaarlo Höysniemi** (born 1971)

M.S.C. (TECH.)

**MAIN OCCUPATION**

Group Treasurer, Stora Enso Oyj

**PRIMARY WORK EXPERIENCE**

In current position since 2021

Multiple funding and risk management roles at Stora Enso Treasury starting in 2002 in Belgium, UK, Finland Nord Pool 1998–2002

**BOARD MEMBER SINCE 2023**

**KEY POSITIONS OF TRUST**

-



**Hannu Jokinen** (born 1967)

M.S.C. (ECON.)

**MAIN OCCUPATION**

Vice President Finance and Business control, CCM, Hydro and Nuclear Generation, Fortum Power and Heat Oy

**PRIMARY WORK EXPERIENCE**

In current position since 2023

Financial management positions in Fortum Power and Heat Oy and Imatran Voima Oy

**BOARD MEMBER SINCE 2021**

**KEY POSITIONS OF TRUST**

Member of the Board of OKG AB



**Esa Kaikkonen** (born 1969)

LL.M, TRAINED ON THE BENCH

**MAIN OCCUPATION**

CEO of Metsä Tissue Corporation

**PRIMARY WORK EXPERIENCE**

In current position since 2018

Executive Vice President, Metsä Wood 2013–2018; Executive Vice President, Strategy, Metsä Group 2017–2018; Executive Vice President, Legal Affairs, Metsä Group 2003–2013

**BOARD MEMBER SINCE 2017**

**KEY POSITIONS OF TRUST**

Member of the Board of Metsä Fibre Oy  
Member of the Board of Metsä Spring Oy  
Member of the Board of Pohjolan Voima Oyj  
Member of the Board of Finnish Forest Industries Federation  
Member of the Board of The National Defence Training Association of Finland



**Tapio Korpeinen** (born 1963)

M.S.C. (TECH.), MBA

**MAIN OCCUPATION**

Chief Financial Officer, UPM-Kymmene Corporation and Executive Vice President, UPM Energy

**PRIMARY WORK EXPERIENCE**

In current position since 2013

Chief Financial Officer of UPM-Kymmene Corporation since 2010; President, Energy and Pulp Business Group, UPM-Kymmene Corporation since 2008; Strategy and Mergers and Acquisitions tasks in UPM-Kymmene Corporation since 2005; managerial positions for management consulting in Jaakko Pöyry Oy

**BOARD MEMBER SINCE 2008**

**KEY POSITIONS OF TRUST**

Chairperson of the Board of Pohjolan Voima Oyj  
Vice Chairperson of the Board of Kemijoki Oy  
Member of the Supervisory Board of Varma Mutual Pension Insurance Company



# Teollisuuden Voima Oyj's Board of Directors 2023



**Petra Lundström** (born 1966)  
M.SC. (TECH.) (ENGINEERING PHYSICS)

**MAIN OCCUPATION**

Executive Vice President, Nuclear Generation, Fortum Power and Heat Oy

**PRIMARY WORK EXPERIENCE**

Several expert, manager and vice president positions in Fortum, both in the nuclear business area and in Corporate; Member of Generation Division management team with responsibility for Nuclear Services business since 2016, expanded area of responsibility in spring 2021 (Co-owned nuclear) and autumn 2021 (Engineering & Projects) Appointed as Executive Vice President, Nuclear Generation and a member of Fortum Leadership Team (FLT) in spring 2023.

**BOARD MEMBER SINCE 2021;**

since 2023 Chairperson or Vice Chairperson in rotation. Vice Chairperson from 30 March 2023.

**KEY POSITIONS OF TRUST**

Member of the Board and the Compensation, People and Sustainability Committee of Vaisala Corporation  
Deputy Chair of the Board of OKG AB (until 1.11.2023)  
Member of the Technology and Innovation Advisory Board



**Timo Rajala** (born 1969)  
M.SC. (ECON.)

**MAIN OCCUPATION**

CFO, Helen Ltd

**PRIMARY WORK EXPERIENCE**

In current position since 2016  
Restel Oy, CFO  
Holiday Club Resorts Oy, CFO  
Nokia Oyj, Director, Business Control

**BOARD MEMBER SINCE 2023**

**KEY POSITIONS OF TRUST**

Board Member, Virta Ltd  
Board Member, Voimapiha Oy  
Chairman of the Board, Helen Aurinkopuisto Kalanti Oy



**Anders Renvall** (born 1973)  
M.SC. (TECH.)

**MAIN OCCUPATION**

CEO, Kymppivoima Oy

**PRIMARY WORK EXPERIENCE**

In current position since 2013  
Manager, Production, Kymppivoima Oy 2004–2013; Asset Development Manager, TXU Nordic Energy Oy; Consultant, Pöyry/Ekono

**BOARD MEMBER SINCE 2017**

**KEY POSITIONS OF TRUST**

Chairperson of the Board of Voimapiha Oy, Voimapiha Ab, Kosalankankaan Tuulivoimapuisto Oy, and PVO Lämpövoima Oy  
Member of the Board of Pohjolan Voima Oyj, EPV Energia Oy and Vattenfall Indalsälven Ab  
Chairperson of the Board of several group companies of Kymppivoima Oy



**Tiina Tuomela** (born 1966)  
M.SC. (TECH.), MBA

**MAIN OCCUPATION**

CFO, Fortum Oyj

**PRIMARY WORK EXPERIENCE**

In current position since 2023  
CFO, Uniper SE 2021–2023  
Executive Vice President, Generation Division, Fortum Corporation 2016–2021;  
Executive Vice President, Nuclear and Thermal Division, Fortum Corporation 2014–2016;  
Director and manager positions in Fortum Corporation and Imatran Voima Oy

**BOARD MEMBER SINCE 2010;**

since 2019 Chairperson or Vice Chairperson in rotation; the last period as the Chairperson March 2022–March 2023.

**KEY POSITIONS OF TRUST**

Wärtsilä Corporation, Member of the Board  
Lappeenranta–Lahti University of Technology, Member of the Advisory Board  
TÜV Rheinland, Member of the Supervisory Board

# Teollisuuden Voima Oyj's Board of Directors 2023



**Ilkka Tykkyläinen** (born 1966)

M.SC. (TECH.), EMBA

**MAIN OCCUPATION**

CEO of Pohjolan Voima Oyj

**PRIMARY WORK EXPERIENCE**

In current position since 2018  
 CEO of Stora Enso's subsidiary Efora Oy; Director positions in ABB in Finland and other countries; Director of Service Production in Elisa Corporation

**BOARD MEMBER SINCE 2018;**

Chairperson or Vice Chairperson in rotation. Chairperson from 30 March 2023.

**KEY POSITIONS OF TRUST**

Member of the Board of Viafin Service Oyj  
 Member of the Board of Nimlas Group Ab  
 Member of the Board of National Emergency Supply Agency  
 Chairperson of the Board of Oy Alholmens Kraft Ab  
 Chairperson or Vice Chairperson of the Board of several group companies of PVO Corporation



**Rami Vuola** (born 1968)

M.SC. (TECH.)

**MAIN OCCUPATION**

President and CEO, EPV Energia Oy

**PRIMARY WORK EXPERIENCE**

In current position since 2003  
 Various director and manager positions in energy sector. Broad experience in board working

**BOARD MEMBER SINCE 2003**

**KEY POSITIONS OF TRUST**

Chairperson of the Board of several companies of EPV Corporation  
 Member of the Board of Pohjolan Voima Oyj and Voimapiiha Oy



# Teollisuuden Voima Oyj's Management Group 2023

**CHAIRPERSON**


**Jarmo Kalevi Tanhua** (born 1965)

M.SC. (TECH.)

**MAIN OCCUPATION**

President and CEO, Teollisuuden Voima Oyj

**PRIMARY WORK EXPERIENCE**

Director and manager positions and project tasks in Teollisuuden Voima since 1990

**PRESIDENT AND CEO SINCE**

1 July 2008

**KEY POSITIONS OF TRUST**

Chairperson of the Board of Posiva Oy  
Chairperson of the Board of Länsi-Suomen Osuuspankki

**MEMBERS**


**Pekka Frantti** (born 1964)

**MAIN OCCUPATION**

Senior Vice President, OL3 Commercial Completion, Corporate Supply Management and Development of Legal Affairs, Teollisuuden Voima Oyj



**Jaana Isotalo** (born 1977)

**MAIN OCCUPATION**

Senior Vice President, HR, Training, Communications and Corporate Relations, Teollisuuden Voima Oyj



**Ulla-Maija Moisio** (born 1962)

**MAIN OCCUPATION**

Senior Vice President, Legal Affairs, Teollisuuden Voima Oyj



**Marjo Mustonen** (born 1968)

**MAIN OCCUPATION**

Senior Vice President, Electricity Production, Teollisuuden Voima Oyj



**Mikko Lampinen** (born 1980)

**MAIN OCCUPATION**

Senior Vice President, Engineering, Teollisuuden Voima Oyj



**Veli-Pekka Nurmi** (born 1964)

**MAIN OCCUPATION**

Senior Vice President, Safety and Security Services, Teollisuuden Voima Oyj

# Teollisuuden Voima Oyj's Management Group 2023

## MEMBERS



**Lauri Piekkari** (born 1963)

**MAIN OCCUPATION**

Senior Vice President, Treasury and Risk Management, Teollisuuden Voima Oyj



**Jouni Silvennoinen** (born 1961)

**MAIN OCCUPATION**

Senior Vice President, OL3 Project (until 31 May 2023), OL3 Contract Management (from 1 June 2023 onwards), Teollisuuden Voima Oyj



**Anja Ussa** (born 1964)

**MAIN OCCUPATION**

Senior Vice President, Finance, Sustainability (from 1 October 2023 onwards), IT, Business Development and Assistant Services, Secretary of the Management Group, Teollisuuden Voima Oyj



**Timo Vaahtera** (born 1979)

**MAIN OCCUPATION**

I&C Engineer, Personnel Representative, Teollisuuden Voima Oyj



**Petri Murto** (born 1977)

**MAIN OCCUPATION**

I&C Technician, 1st Deputy Personnel Representative, Teollisuuden Voima Oyj



**Esa Lahtinen** (born 1974)

**MAIN OCCUPATION**

Maintenance Engineer, 2nd Deputy Personnel Representative, Teollisuuden Voima Oyj

# TVO's organisational chart 31 dec 2023

